

A regular meeting of the Michigan Public School Employees Retirement System Board was held at the General Office Building, 7150 Harris Drive, Conference Room A, Dimondale, Michigan, on Thursday, April 24, 2008. The following members, staff and observers participated:

Members Present: Lenore Croudy, Community College Trustee
 Sally Vaughn representing the Superintendent of Public Instruction
 Jeff Hoffman, General Public Member, Actuarial Experience
 Steven Jagusch, General Public Member, Investment Experience
 William Lawson, Retired Finance/Operations Member and as a representative of the largest retiree organization
 Edwin Martinson, Reporting Unit Board of Control Member
 Susan Meston, Active Superintendent Member
 Richard Montcalm, Finance/Operations Member, Non-superintendent
 John Olekszyk, Retiree Member
 Diana Osborn, Non-Certified Support Member

Staff Present: Phil Stoddard, Executive Secretary
 Terry Rideout, Recording Secretary

Others Present: Bonnie Carpenter, Marie Wilkerson, Don Miller, Ernest Dear, Don DeKeyser, and Michael Gardner of the Michigan Association of Retired School Personnel; Charles Agerstrand, Richard Hosking, and Earl Hagstrom of the Michigan Education Association-Retired; Janet Ketchum of the Retirement Coordinating Council; David Martell of Michigan School Business Officials; Brad Biladeau of the Michigan Association of School Administrators; Brad Banasik fo the Michigan Association of School Boards; Steve Burroughs of United Teachers of Flint; Mary Ellen Caldwell of Central Michigan University; Rob Spagnuolo of Waverly Community Schools; Jose Lopez of the Lansing School District; Barbara Murphy of Blue Cross Blue Shield of Michigan; Lisa Eggert of Delta Dental; Barbara Aikman of Vision Services Plan; Alan Sonnanstine and Ben Louagie of Gabriel Roeder Smith & Co.; Mark Williamson of Williams & Co.; Thomas Schimpf of the Attorney General's Office; Laurie Hill, Tim McCormick, Kathy Tober, Kathy Ciaramella, Lois Musbach, and Brian McLane of the Office of Retirement Services.

Call to Order

Chair Diana Osborn called the meeting to order at 10:30 a.m.

Excusing of Absent Members

Lenore Croudy moved, Edwin Martinson supported, to excuse the absences of Ivy Bailey and Martha Pichla. The motion carried unanimously.

Approval of Agenda

Richard Montcalm moved, Edwin Martinson supported, to approve the agenda as presented. The motion carried unanimously.

Approval of Minutes

John Olekszyk moved, Lenore Croudy supported, to approve the minutes of the March 13, 2008, meeting as presented. The motion carried unanimously.

Administrative Hearings**Proposal for Decision – Docket 2007-AH058**

The Board considered the case materials. Edwin Martinson moved, Richard Montcalm supported, that the Board adopt as its own the recommendation of the Presiding Officer in the February 11, 2008 PFD, and deny Petitioner's request for duty or non-duty disability benefits. The motion carried unanimously.

Proposal for Decision – Docket 2007-4855 PSRS

The Board considered the case materials. Richard Montcalm moved, Susan Meston supported, that the Board adopt as its own the recommendation of the Presiding Officer in the January 30, 2008 PFD, including the proposed Findings of Fact and Conclusions of Law, and deny Petitioner's request for non-duty disability retirement benefits, using the form of decision and order offered by Respondent. The motion carried unanimously.

Proposal for Decision – Docket 2007-4864 PSRS

The Board considered the case materials. Richard Montcalm moved, Edwin Martinson supported, that the contested case proceedings in this matter be held in abeyance until the final disposition of *Slee v Michigan Public School Employees' Retirement System*, Court of Appeals Docket No. 277890. A roll call vote was taken and the motion resulted in a tie vote of 5 yes votes and 5 no votes.

Lenore Croudy	yes	Sally Vaughn	no
Steven Jagusch	yes	William Lawson	no
Edwin Martinson	yes	Susan Meston	no
Richard Montcalm	yes	John Olekszyk	no
Diana Osborn	yes	Jeff Hoffman	no

John Olekszyk moved, William Lawson supported that the Board adopt as its own the recommendation of the Presiding Officer in the February 11, 2008 PFD, including the proposed Findings of Fact and Conclusions of Law, and deny Petitioner's request to change the computation of his final average compensation. A roll call vote was taken and the motion was approved with 7 yes votes and 3 no votes.

Lenore Croudy	no	Sally Vaughn	no
Steven Jagusch	yes	William Lawson	yes
Edwin Martinson	yes	Susan Meston	no
Richard Montcalm	yes	John Olekszyk	yes
Diana Osborn	yes	Jeff Hoffman	yes

Proposal for Decision – Docket 2007-4862 PSRS

The Board considered the case materials. Jeff Hoffman moved, John Olekszyk supported, that the Board allow Respondent's request to admit supplemental IMA reports into the record. The motion carried unanimously.

Richard Montcalm moved, Steven Jagusch supported, that the Board adopt as its own the recommendation of the Presiding Officer in the February 12, 2008 PFD, including the proposed Findings of Fact and Conclusions of Law except for the changes requested by Respondent, and deny Petitioner's request for non-duty disability retirement benefits using the form of decision and order offered by Respondent. The motion carried with Susan Meston voting no.

Proposal for Decision – Docket 2007-4856 PSRS

The Board considered the case materials. Richard Montcalm moved, Edwin Martinson supported, that the Board remand the case back to the Presiding Officer to issue a Supplemental Proposal for Decision, once all documentation provided on the medical issues cited in Petitioner's Exceptions has been reviewed by independent medical advisors and the reports are submitted to the Presiding Officer for review. The motion carried with William Lawson voting no.

Proposal for Decision – Docket 2007-4868 PSRS

The Board considered the case materials. Edwin Martinson moved, Susan Meston supported, that the Board adopt as its own the recommendation of the Presiding Officer in the February 26, 2008 PFD, and dismiss Petitioner's request for non-duty disability benefits with prejudice. The motion carried unanimously.

Old Business

Motion for Reconsideration – Docket 2007-AH028

The Board considered the case materials. Susan Meston moved, Sally Vaughn supported, that the Board move to grant Petitioner's Motion for Reconsideration and hold the decision and order in this matter in abeyance until the disposition of the *Slee v Michigan Public School Employees' Retirement System* case by the Court of Appeals. The motion carried unanimously.

Unfinished Business

Docket 2007-4240 RMCP/Docket 2006-AH015

The Board considered the case materials. Richard Montcalm moved, Edwin Martinson supported that the Board adopt as its own the recommendation of the Presiding Officer in the January 23, 2008 Supplemental Proposal for Decision, including the proposed Findings of Fact and Conclusions of Law, and deny Petitioner's request to transfer from the Basic retirement Plan to the member Investment Plan. The motion carried with William Lawson voting no.

Special Reports

Annual Investment Report – Jon Braeutigam, Chief Investment Officer of the Bureau of Investments in the Department of Treasury, provided the annual investment report and responded to questions.

Actuarial Pension Valuation – Alan Sonnanstine of Gabriel Roeder Smith & Company provided highlights of the pension valuation for the period ending September 30, 2007, and responded to questions.

Actuarial Health Care Valuation – Alan Sonnanstine of Gabriel Roeder Smith & Company provided highlights of the health care valuation for the period ending September 30, 2007, and responded to questions.

Standing Reports – Committee Reports

Legislative Committee

Richard Montcalm reported that the Legislative Committee met and discussed legislation dealing with the issue of retirees returning to work, and HB 5913.

Health Insurance Committee

Diana Osborn reported that the Health Insurance Committee would be meeting immediately following the Board meeting today.

Board Comments

Comments were received from Susan Meston and Jeff Hoffman.

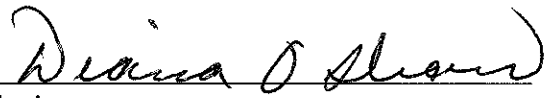
Public Comments

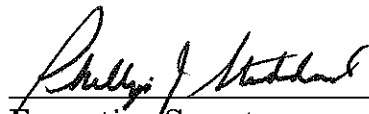
Comments were received from Ernest Dear, Earl Hagstrom and Dave Martell.

Adjournment

Steven Jagush moved, Edwin Martinson supported, to adjourn the meeting at 1:15 p.m. The motion carried unanimously.

OFFICIAL MINUTES


Chair


Executive Secretary